

Long-Term Ferry Finance Study

Overview of Work Plan and Schedule

presented to

Washington State Transportation Commission

presented by

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Presentation Overview

Long-Term Ferry Finance Study

- Study objectives
- General approach
- Work plan
- Schedule
- Additional discussion and questions

Objectives

Long-Term Ferry Finance Study

- Synthesize relevant existing information about funding sources, financing capacity, trends, etc.
- Consider state, regional and local financing options, including new and non-traditional funding sources
- Identify and evaluate long-term financing alternatives for the state ferry system
- Develop selection of most viable financing options and requisite actions
- Present draft findings and recommendations to Transportation Committees in December 2008, issue final report to Legislature in January 2009.

General Approach

Long-Term Ferry Finance Study

- **Two-phase study to meet time constraints**
 - Phase I, November 2007 - February 2008
 - Phase II, March 2008 - December 2008
- **Coordinate with and take advantage of concurrent Ferry Customer Survey, Operations Study**
- **Maximize use of existing knowledge and previous relevant work in Washington State**
- **Review experience and approach of peer ferry systems**
- **Consider innovative transportation financing approaches**

Phase I Work Plan

Long-Term Ferry Finance Study

- Legal and regulatory review
- Review of relevant finance studies
- Scan of other ferry systems
- Coordinate with Ferry Customer Survey
- Develop Phase II work program and cost estimate
- Summary report and presentation of findings and recommendations

Phase I Work Plan

Long-Term Ferry Finance Study

- **Task 1: Legal and regulatory review**
 - Review Washington State laws and regulations on transportation financing and taxing authority at city, county, regional and state level
 - Identify current and potential capacity of existing financing mechanisms
 - Prepare memorandum of findings and follow-up issues

Phase I Work Plan

Long-Term Ferry Finance Study

- **Task 2: Review of past finance studies and other relevant work products**
 - **Conduct interviews with selected agency staff**
 - Washington State Ferries
 - Washington State DOT
 - Legislative staff
 - Governor's Office staff
 - Transportation Commission members and staff
 - **General transportation and ferry-specific finance studies**
 - 2007 JTC Long Term Transportation Financing Study
 - Previous WSF cost and revenue projections

Phase I Work Plan

Long-Term Ferry Finance Study

- **Task 3: Scan of other ferry system financing**
 - Domestic and foreign
 - Funding sources
 - Operating agreements
 - Governance structures
 - Creative finance mechanisms
- **Potential candidate systems:**
 - Alaska, SF Bay Area, Boston, New York, Florida, B.C., Sydney, Hong Kong
 - Scan will not involve travel

Phase I Work Plan

Long-Term Ferry Finance Study

- **Task 4: Coordination with other current studies**
- **Finance Study Advisory Team**
 - Monthly on-site meetings, additional teleconferences
- **Ferry Customer Survey**
 - Qualitative results
 - Quantitative results, spring and summer surveys
 - Consider survey questions relevant to finance study
- **Operation and Maintenance Costs Study**

Phase I Work Plan

Long-Term Ferry Finance Study

- **Task 5: Phase II work program and cost estimate**
 - Phase I work will identify range of promising strategies that target constraints and projected needs
 - Phase II work will fill information gaps, conduct further modeling of financing capacity
 - Consider non-traditional sources, expand pool of available sources of funding
 - Consider extraordinary financing needs, e.g., deferred maintenance and vessel replacement
 - Identify necessary legislative or other regulatory actions

Phase I Work Plan

Long-Term Ferry Finance Study

- **Task 6: Deliver summary report and presentations**
 - Periodic meetings/briefings with Advisory Team
 - Report results of Tasks 1 through 3 by December 31
 - Final Phase I project report by January 31, 2008
 - Commission presentations in February 2008

Phase I Project Schedule

Long-Term Ferry Finance Study



Long-Term Ferry Finance Study **Discussion and Questions**